

NOTICE: This opinion is subject to formal revision before publication in the bound volumes of NLRB decisions. Readers are requested to notify the Executive Secretary, National Labor Relations Board, Washington, D.C. 20570, of any typographical or other formal errors so that corrections can be included in the bound volumes.

The Pep Boys Manny Moe & Jack of California and Robert Nash. Case 31–CA–104178

December 23, 2015

DECISION AND ORDER

BY CHAIRMAN PEARCE AND MEMBERS MISCIMARRA
AND HIROZAWA

On March 7, 2014, Administrative Law Judge Gerald A. Wacknov issued the attached decision. The Respondent filed exceptions and a supporting brief, and the General Counsel filed an answering brief.

The National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

The Board has considered the decision and the stipulated record in light of the exceptions and briefs and has decided to affirm the judge's rulings, findings,³ and con-

¹ In adopting the judge's finding that the Respondent violated Sec. 8(a)(1) by maintaining the Agreement, we find no merit in the Respondent's argument that the Board lacked authority to decide *D. R. Horton, Inc.*, 357 NLRB No. 184 (2012), enf. denied in relevant part 737 F.3d 344 (5th Cir. 2013), because the three-member panel included Member Becker, whose appointment was constitutionally invalid. For the reasons set forth in *Murphy Oil USA, Inc.*, 361 NLRB No. 72, slip op. at 2 fn. 16 (2014), decided subsequent to the judge's decision, we reject this argument. For the reasons set forth in *Pallet Cos.*, 361 NLRB No. 33, slip op. at 1–2 (2014), we also reject the Respondent's argument that the complaint was not validly issued because the Board lacked a quorum at the time it approved the appointment of Mori Rubin as Regional Director for Region 31.

We reject the Respondent's argument that the complaint is time barred under Sec. 10(b). Although the Charging Party signed the "Mutual Agreement to Arbitrate Claims" (the Agreement) more than 6 months before the initial unfair labor practice charge was filed, the Respondent stipulated and the judge found that the Respondent continued to maintain the Agreement throughout the 10(b) period. The Board has repeatedly held that the maintenance of a facially unlawful rule is a continuing violation, regardless of when the rule was first promulgated. See *PJ Cheese, Inc.*, 362 NLRB No. 177, slip op. at 1 (2015); *Neiman Marcus Group*, 362 NLRB No. 157, slip op. at 2 and fn. 6 (2015); and *Cellular Sales of Missouri, LLC*, 362 NLRB No. 27, slip op. at 2 (2015).

We also reject the Respondent's contention that the Agreement is lawful because it does not prohibit employees from challenging the enforceability of the Agreement on a class or collective basis. As the Board has previously held, because employees would find provisions allowing such challenges to be "confusing or empty," they do not cure otherwise unlawful agreements. See *Murphy Oil*, supra, slip op. at 19.

Finally, the Respondent argues that the Agreement is lawful because it includes an exemption allowing employees to file charges with administrative agencies, including the Board, and thus does not, as in *D. R. Horton*, unlawfully prohibit them from collectively pursuing litigation of employment claims in all forums. We reject the Respondent's argument for the reasons set forth in *SolarCity Corp.*, 363 NLRB No. 83 (2015).

clusions and to adopt the recommended Order as modified and set forth in full below.²

The judge found, applying the Board's decision in *D. R. Horton, Inc.*, 357 NLRB No. 184 (2012), enf. denied in relevant part 737 F.3d 344 (5th Cir. 2013), that the Respondent violated Section 8(a)(1) of the Act by maintaining an arbitration agreement that requires employees, as a condition of employment, to waive their rights to pursue class or collective actions involving employment-related claims in all forums, whether arbitral or judicial. In *Murphy Oil USA, Inc.*, 361 NLRB No. 72 (2014), enf. denied --- F.3d --- (5th Cir. 2015), the Board reaffirmed the relevant holdings of *D. R. Horton*, supra. Based on the judge's application of *D. R. Horton*, and on our subsequent decision in *Murphy Oil*, we agree with the judge that the agreement was unlawful.³

ORDER

The National Labor Relations Board orders that the Respondent, The Pep Boys Manny Moe & Jack of California, Inglewood, California, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Maintaining a mandatory arbitration agreement that requires employees, as a condition of employment, to waive the right to maintain joint, class, or collective actions in all forums, whether arbitral or judicial.

² We shall modify the judge's recommended Order to conform to the Board's standard remedial language, and we shall substitute a new notice to conform to the Order as modified and in accordance with *Durham School Services*, 360 NLRB No. 85 (2014).

³ Our dissenting colleague observes that the Act does not "dictate" any particular procedures for the litigation of non-NLRA claims, and "creates no substantive right for employees to insist on class-type treatment" of such claims. This is all surely correct, as the Board has previously explained in *Murphy Oil*, supra, 361 NLRB No. 72, slip op. at 2, and *Bristol Farms*, 363 NLRB No. 45, slip op. at 2 and fn. 2 (2015). But what our colleague ignores is that the Act does "create[] a right to pursue joint, class, or collective claims if and as available without the interference of an employer-imposed restraint." *Murphy Oil*, supra, slip op. at 2. The Respondent's Agreement is just such an unlawful restraint.

Likewise, for the reasons explained in *Murphy Oil* and *Bristol Farms*, there is no merit to our colleague's view that finding the Agreement unlawful runs afoul of employees' Sec. 7 right to "refrain from" engaging in protected concerted activity. See *Murphy Oil*, 361 NLRB No. 72, slip op. at 18; *Bristol Farms*, 363 NLRB No. 45, slip op. at 2. Nor is he correct in insisting that Sec. 9(a) of the Act requires the Board to permit individual employees to prospectively waive their Sec. 7 right to engage in concerted legal activity. See *Murphy Oil*, supra, slip op. at 17–18; *Bristol Farms*, supra, slip op. at 2.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed to them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Rescind the unlawful arbitration agreement in all of its forms, or revise it in all of its forms to make clear to employees that the agreement does not constitute a waiver of their right to maintain employment-related joint, class, or collection actions in all forums.

(b) Notify all current and former employees who were required to sign the unlawful arbitration agreement that it has been rescinded or revised and, if revised, provide them a copy of the revised agreement.

(c) Within 14 days after service by the Region, post at its Inglewood, California facility, and at all other facilities where the unlawful arbitration agreement is or has been in effect, copies of the attached notice marked "Appendix."⁴ Copies of the notice, on forms provided by the Regional Director for Region 31, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. In addition to physical posting of paper notices, the notices shall be distributed electronically, such as by email, posting on an intranet or internet site, and/or other electronic means, if the Respondent customarily communicates with its employees by such means. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. If the Respondent has gone out of business or closed the facility involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since October 31, 2012.

(d) Within 21 days after service by the Region, file with the Regional Director for Region 31 a sworn certification of a responsible official on a form provided by the

⁴ If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

Region attesting to the steps that the Respondent has taken to comply.

Dated, Washington, D.C. December 23, 2015

Mark Gaston Pearce, Chairman

Kent Y. Hirozawa, Member

(SEAL) NATIONAL LABOR RELATIONS BOARD

MEMBER MISCIMARRA, dissenting.

In this case, my colleagues find that the Respondent's Mutual Agreement to Arbitrate Claims violates Section 8(a)(1) of the National Labor Relations Act (the Act or the NLRA) because the Policy waives the right to participate in class or collective actions regarding non-NLRA employment claims. I respectfully dissent from this finding for the reasons explained in my partial dissenting opinion in *Murphy Oil USA, Inc.*¹

I agree that an employee may engage in "concerted" activities for "mutual aid or protection" in relation to a claim asserted under a statute other than the NLRA.² However, Section 8(a)(1) of the Act does not vest authority in the Board to dictate any particular procedures pertaining to the litigation of non-NLRA claims, nor does the Act render unlawful agreements in which employees waive class-type treatment of non-NLRA claims. To the contrary, as discussed in my partial dissenting opinion in *Murphy Oil*, Section 9(a) protects the right of every employee as an "individual" to "present" and "adjust"

¹ 361 NLRB No. 72, slip op. at 22–35 (2014) (Member Miscimarra, dissenting in part). The Board majority's holding in *Murphy Oil* invalidating class-action waiver agreements was recently denied enforcement by the Court of Appeals for the Fifth Circuit. *Murphy Oil USA, Inc. v. NLRB*, No. 14-60800, 2015 WL 6457613 (5th Cir. Oct. 26, 2015).

² I agree that non-NLRA claims can give rise to "concerted" activities engaged in by two or more employees for the "purpose" of "mutual aid or protection," which would come within the protection of the NLRA, Sec. 7. See *Murphy Oil*, 361 NLRB No. 72, slip op. at 23–25 (Member Miscimarra, dissenting in part). However, the existence or absence of Sec. 7 protection does not depend on whether non-NLRA claims are pursued as a class or collective action, but on whether Sec. 7's statutory requirements are met—an issue separate and distinct from whether an individual employee chooses to pursue a claim as a class or collective action. *Id.*; see also *Beyoglu*, 362 NLRB No. 152, slip op. at 4–5 (2015) (Member Miscimarra, dissenting).

grievances “at any time.”³ This aspect of Section 9(a) is reinforced by Section 7 of the Act, which protects each employee’s right to “refrain from” exercising the collective rights enumerated in Section 7. Thus, I believe it is clear that (i) the NLRA creates no substantive right for employees to insist on class-type treatment of non-NLRA claims;⁴ (ii) a class-waiver agreement pertaining to non-NLRA claims does not infringe on any NLRA rights or obligations, which has prompted the overwhelming majority of courts to reject the Board’s position regarding class waiver agreements;⁵ and (iii) enforcement of a class-action waiver as part of an arbitration agreement is also warranted by the Federal Arbitration Act (FAA).⁶ Although questions may arise regard-

ing the enforceability of particular agreements that waive class or collective litigation of non-NLRA claims, I believe these questions are exclusively within the province of the court or other tribunal that, unlike the NLRB, has jurisdiction over such claims.⁷

Accordingly, I respectfully dissent.

Dated, Washington, D.C. December 23, 2015

Philip A. Miscimarra,

Member

NATIONAL LABOR RELATIONS BOARD

APPENDIX

NOTICE TO EMPLOYEES

POSTED BY ORDER OF THE

NATIONAL LABOR RELATIONS BOARD

An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT maintain a mandatory arbitration agreement that requires employees, as a condition of employment, to waive the right to maintain joint, class, or collective actions in all forums, where arbitral or judicial.

WE WILL NOT in any like or related manner, interfere with, restrain, or coerce you in the exercise of the rights listed above.

WE WILL rescind the unlawful arbitration agreement in all of its forms, or revise it in all of its forms to make

³ *Murphy Oil*, above, slip op. at 30–34 (Member Miscimarra, dissenting in part). Sec. 9(a) states: “Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment: Provided, That *any individual employee or a group of employees shall have the right at any time to present grievances to their employer and to have such grievances adjusted*, without the intervention of the bargaining representative, as long as the adjustment is not inconsistent with the terms of a collective-bargaining contract or agreement then in effect: Provided further, That the bargaining representative has been given opportunity to be present at such adjustment” (emphasis added). The Act’s legislative history shows that Congress intended to preserve every individual employee’s right to “adjust” any employment-related dispute with his or her employer. See *Murphy Oil*, above, slip op. at 31–32 (Member Miscimarra, dissenting in part).

⁴ When courts have jurisdiction over non-NLRA claims that are potentially subject to class treatment, the availability of class-type procedures does not rise to the level of a substantive right. See *D. R. Horton, Inc. v. NLRB*, 737 F.3d 344, 362 (5th Cir. 2013) (“The use of class action procedures . . . is not a substantive right.”) (citations omitted), petition for rehearing en banc denied No. 12-60031 (5th Cir. 2014); *Deposit Guaranty National Bank v. Roper*, 445 U.S. 326, 332 (1980) (“[T]he right of a litigant to employ Rule 23 is a procedural right only, ancillary to the litigation of substantive claims.”).

⁵ The Fifth Circuit has twice denied enforcement of Board orders invalidating a mandatory arbitration agreement that waived class-type treatment of non-NLRA claims. See *Murphy Oil USA, Inc. v. NLRB*, above; *D. R. Horton, Inc. v. NLRB*, above. The overwhelming majority of courts considering the Board’s position have likewise rejected it. See *Murphy Oil*, 361 NLRB No. 72, slip op. at 34 (Member Miscimarra, dissenting in part); *id.*, slip op. at 36 fn. 5 (Member Johnson, dissenting) (collecting cases); see also *Patterson v. Raymours Furniture Co.*, 96 F. Supp. 3d 71 (S.D.N.Y. 2015); *Nanavati v. Adecco USA, Inc.*, 99 F. Supp. 3d 1072 (N.D. Cal. 2015), motion to certify for interlocutory appeal denied 2015 WL 4035072 (N.D. Cal. June 30, 2015); *Brown v. Citicorp Credit Services, Inc.*, No. 1:12-cv-00062-BLW, 2015 WL 1401604 (D. Idaho Mar. 25, 2015) (granting reconsideration of prior determination that class waiver in arbitration agreement violated the NLRA).

⁶ For the reasons expressed in my *Murphy Oil* partial dissent, and those thoroughly explained in former Member Johnson’s dissent in *Murphy Oil*, the FAA requires that the arbitration agreement be enforced according to its terms. *Murphy Oil*, above, slip op. at 34 (Mem-

ber Miscimarra, dissenting in part), *id.*, slip op. at 49–58 (Member Johnson, dissenting).

⁷ Because I disagree with the Board’s decisions in *Murphy Oil*, above, and *D. R. Horton, Inc.*, 357 NLRB No. 184 (2012), *enf. denied* in part, 737 F.3d 344, 362 (5th Cir. 2013), and I believe the NLRA does not render unlawful arbitration agreements that provide for the waiver of class-type litigation of non-NLRA claims, I find it unnecessary to reach whether such agreements should independently be deemed lawful to the extent they “leave[] open a judicial forum for class and collective claims,” *D. R. Horton*, 357 NLRB No. 184, slip op. at 12, by permitting the filing of complaints with administrative agencies that, in turn, may file class or collective action lawsuits. See *Owen v. Bristol Care, Inc.*, 702 F.3d 1050 (8th Cir. 2013).

clear that the agreement does not constitute a waiver of your right to maintain employment-related joint, class, or collective actions in all forums.

WE WILL notify all current and former employees who were required to sign the unlawful arbitration agreement that it has been rescinded or revised and, if revised, provide them a copy of the revised agreement.

THE PEP BOYS MANNY MOE & JACK OF CALIFORNIA

The Board's decision can be found at www.nlrb.gov/case/31-CA-104178 or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1015 Half Street, S.E., Washington, D.C. 20570, or by calling (202) 273-1940.



Nikki Cheaney, Esq., for the General Counsel.
 Ross H. Friedman, Esq. (Morgan Lewis & Bockius, LLP), of Chicago, Illinois, for the Respondent.
 Matthew Righetti, Esq. (Righetti Glugoski, P.C.), of San Francisco, California, for the Charging Party.

DECISION

STATEMENT OF THE CASE

GERALD A. WACKNOV, Administrative Law Judge. This matter is based on a stipulated record. The initial charge in this matter was filed on April 30, 2013. Since the submission of this matter to me on December 11, 2013, briefs have been received on January 28, 2014, from counsel for the General Counsel (the General Counsel), and counsel for the Respondent. Upon the stipulated record, and consideration of the briefs submitted, I make the following

FINDINGS OF FACT

I. JURISDICTION

At all material times Respondent The Pep Boys Manny Moe & Jack of California has been a corporation with an office and place of business located in Inglewood, California, and has been engaged in operating retail auto parts stores. In the conduct of its business operations the Respondent annually derives

gross revenues in excess of \$500,000 and purchases and receives at its Inglewood, California facility products, goods, and materials valued in excess of \$5000 directly from points outside the State of California. It is admitted and I find that the Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the National Labor Relations Act (the Act).

II. ALLEGED UNFAIR LABOR PRACTICES

A. Issues

The principal issue in this proceeding is whether the Respondent has violated and is violating Section 8(a)(1) of the Act by maintaining a dispute resolution agreement, entitled Mutual Agreement to Arbitrate Claims (the Agreement), requiring individual mandatory arbitration and precluding employees, including a former employee, the charging party, Robert Nash, from engaging in concerted activity by filing and participating in collective class actions.

B Facts

The facts are not in dispute. The stipulation of facts entered into by the parties to this proceeding, together with the Agreement and other accompanying exhibits, in pertinent part, are as follows: Robert Nash, the Charging Party, is a former employee of the Respondent. Nash was required to sign the Agreement as a condition of employment with the Respondent. He did so on July 19, 2012. The Agreement by its terms requires employees to resolve all current and future employment-related disputes exclusively through individual arbitration proceedings. The Agreement provides that it should not be interpreted to restrict the filing of charges or complaints with the National Labor Relations Board (the Board) or any other Federal, State, or local administrative agency. The Agreement provides that "This Agreement will survive the termination of Employee's employment with the Company as well as the termination of or expiration of any benefit of such employment."

Analysis and Conclusions

D. R. Horton, Inc., 357 NLRB No. 184 (2012), is the controlling Board decision in this matter. The Respondent maintains that *D. R. Horton* was wrongly decided, and in its comprehensive brief significantly relies upon the recent Fifth Circuit decision which considers and discusses many of the arguments raised by the Respondent, which need not be reexamined herein, and denies enforcement of *D. R. Horton* in material respects.¹ However, I am required to follow *D. R. Horton* unless reversed by the Supreme Court. *Waco, Inc.*, 273 NLRB 746, 749 fn. 14 (1984); *Los Angeles New Hospital*, 244 NLRB 960, 962 fn. 4 (1979), enf'd. 640 F.2d 1017 (9th Cir. 1981); *Pathmark Stores, Inc.*, 342 NLRB 378 fn. 1 (2004).

The Board determined in *D. R. Horton* that as a condition of employment "employers may not compel employees to waive their NLRA right to collectively pursue litigation of employment claims in all forums arbitral and judicial." 357 NLRB No. 184, slip op. at p. 12. As the Agreement by its terms restricts employees, as a condition of their employment, from acting

¹ *D. R. Horton, Inc. v. NLRB*, 737 F.3d 344 (5th Cir. 2013).

concertedly by pursuing arbitral and judicial litigation of employment claims, I find that it is facially unlawful.

The Respondent maintains the charge is time barred by Section 10(b) of the Act, having been filed on April 30, 2013, more than 6 months after July 19, 2012, the date Nash signed the Agreement. Nash, as a former employee, nevertheless continues to be an employee within the meaning of the Act. *Little Rock Crate & Basket Co.*, 227 NLRB 1406 (1977); *Waco, Inc.*, 273 NLRB 746, 747 fn. 8 (1984). Because the Agreement is facially invalid and, as noted, currently remains in effect and governs Nash's collective rights under the Act, it is clear that the charge is not time barred. *Control Services, Inc.*, 305 NLRB 435, 435 fn. 2, 442 (1991), enfd. mem. 961 F.2d 1568 (3d Cir. 1992); *Guard Publishing Co.*, 351 NLRB 1110, 1110 fn. 2 (2007). Cf. *Machinists Local Lodge No. 1424 v. NLRB*, 362 U.S. 411 (1960).

The Respondent maintains the Agreement is not unlawful because it specifically permits employees to file charges or complaints with other administrative agencies, specifically including the NLRB. The gravamen of the violation is the restriction of employees' rights, as a condition of employment, to engage in concerted activity by collectively pursuing litigation of employment claims in all forums arbitral and judicial. Here, the Respondent is attempting to circumscribe and limit those rights by permitting only individual arbitration of all claims and charges or complaints before administrative agencies. As the Board makes clear in *D. R. Horton*, the forums for collective action by employees may not be limited to the NLRB or other administrative agencies. I find the Respondent's argument to be without merit.

The Respondent maintains the Board did not have the authority to decide *D. R. Horton* due to the recess appointment issue regarding the composition of the Board. See *Noel Canning v. NLRB*, 705 F.3d 490 (D.C. Cir. 2013). Moreover, the Respondent contends that the complaint is invalid as a result of the interim appointment of the Regional Director who issued the instant complaint. These matters are currently being considered in other forums. The Board has noted that until such matters are ultimately decided it shall continue to fulfill its responsibilities under the Act. *Belgrove Post Acute Care Center*, 359 NLRB No. 77, slip op. 1 fn. 1 (2013); *Universal Lubricants, LLC*, 359 NLRB No. 157, slip op. 1 fn. 1 (2013).

On the basis of the foregoing, I find the Respondent has violated and is violating Section 8(a)(1) of the Act as alleged.

CONCLUSIONS OF LAW AND RECOMMENDATIONS

1. The Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.
2. The Respondent has violated Section 8(a)(1) of the Act as alleged.

THE REMEDY

Having found that the Respondent has engaged in certain unfair labor practices, I recommend that it be required to cease

and desist therefrom and from in any other like or related manner interfering with, restraining, or coercing employees in the exercise of their rights under Section 7 of the Act. I shall also recommend the posting of an appropriate notice, attached hereto as "Appendix," at the locations where the Agreement has been in effect.

ORDER²

The Respondent, The Pep Boys Manny Moe & Jack of California, Inglewood, California, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Maintaining the Mutual Agreement to Arbitrate Claims that requires employees to waive their right to maintain class or collective action in all forums, whether arbitral or judicial.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Rescind or revise the Mutual Agreement to Arbitrate Claims that requires employees to waive their right to maintain class or collective action in all forums, whether arbitral or judicial.

(b) Advise all employees, by all means that employees are customarily advised of matters pertaining to their terms and conditions of employment, that the Agreement has been rescinded or revised and that employees are no longer prohibited from bringing and participating in class action lawsuits against the Respondent.

(c) Within 14 days after service by the Region, post at all locations where notices to employees are customarily posted, and transmit to employees by all means that employees are customarily advised of matters pertaining to their terms and conditions of employment, copies of the attached notice marked "Appendix."³ Copies of the notice, on forms provided by the Regional Director for Region 31, after being duly signed by Respondent's representative, shall be posted and electronically transmitted to employees immediately upon receipt thereof, and shall remain posted for 60 consecutive days thereafter. Reasonable steps shall be taken by Respondent to ensure that the posted notices are not altered, defaced, or covered by any other material.

² If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

³ If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

(d) Within 21 days after service by the Regional Office, file with the Regional Director for Region 31 sworn certifications of responsible officials on forms provided by the Region attesting to the steps that Respondent has taken to comply.

Dated, Washington, D.C. March 7, 2014

APPENDIX

NOTICE TO EMPLOYEES

POSTED BY ORDER OF THE

NATIONAL LABOR RELATIONS BOARD

An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT maintain a mandatory arbitration agreement, known as the Mutual Agreement to Arbitrate Claims, that requires employees, including former employees, as a condition of employment, to waive their right to maintain class or collective actions in all forums, whether arbitral or judicial regarding employment-related matters.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed you by Federal labor law.

WE WILL rescind or revise the aforementioned arbitration agreement to make it clear to employees that the agreement does not constitute a waiver of their right in all forums to maintain class or collective actions.

WE WILL notify employees of the rescinded or revised agreement, and provide them with a copy of the revised agreement or specific notification that the agreement has been rescinded.

THE PEP BOYS MANNY MOE & JACK OF CALIFORNIA